

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 614 – HB 1357

May 19, 2010

SUMMARY OF AMENDMENTS (018326, 018336): Prohibits any reduction in the amount of state-shared revenue distributed to municipalities within Hamblen and Cocke Counties when a special census taken by any municipality would increase the distribution of state-shared revenue to the surveyed municipality.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Not Significant

Increase Local Expenditures – Not Significant/Permissive

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

Other Fiscal Impact – Prohibiting the reduction of state-shared revenue to municipalities in Hamblen and Cocke Counties will not result in an increase to state expenditures. All other municipal governments receiving state-shared revenue distributions will experience a decline in state-shared revenue to fund increased distributions to municipal governments eligible for higher allocations as a result of a special census. The amount of state-shared revenue shifted among local governments cannot reasonably be quantified.

Assumptions applied to amendments:

- Disbursements of state-shared revenue to municipal governments are funded by tax dollars collected by the state.
- The Cities of Murfreesboro, Smyrna, and La Vergne have each conducted special censuses since 2005 netting an increase in state-shared revenue of \$2,000,000, \$550,000, and \$127,000 respectively.
- Under current law, any increased allocation of state-shared revenue to municipal governments occurring as a result of a special census will result in a proportionate reduction in revenue to municipal governments that do not conduct a special census.

- Prohibiting a reduction in state-shared revenue to municipalities in Hamblen and Cocke Counties in order to fund increased appropriations to municipalities where a special census is taken will not result in an increase to state expenditures.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized initial "J".

James W. White, Executive Director

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